Crop rated soils:

Column A: The year in question

Column B: The 8-year Olympic average income used to determine that year's top dollar value. The 2019 value is determined using years 2010-2017 inclusive.

Column C: This is the 8-year Olympic average income that would correspond with the limited Top dollar values. This shows the correlation with full – productivity income, the limited productivity value, and the annual income for particular assessment years. Remember that assessment year follows 2 years behind the income year.

Column D: The average income for the one specific year. The most recent year available for income information is 2017.

Column E: The top dollar value for crop rated soils if we had been at the full productivity value for that particular assessment year.

Column F: The top dollar value that was used for those assessment years as we were working our way to full productivity value and were limited as to the amount of increase via statute. Beginning with the 2017 assessment year, the actual top dollar and the limited top dollar match as Brown County reached full productivity that year.

Column G: The top dollar indicated if we were to use one year of income to determine the assessment. Notice the highest assessment year would be 2014, which is two years behind the highest income year (2012), as that would be the first year that income information would be available.

Column H: The percentage of income per acre vs. the assessed value per acre. This shows how the relation of the available income vs. assessment kept decreasing as the productivity method was coming up to full value.

Column I: The percentage of income per acre vs. the assessed value per acre assuming we would have started at full productivity value. Notice the large change in 2013. In 2012 there was a substantial income value and lower assessments. The high income hadn't begun to affect the assessed value yet. That available income plummeted beginning in 2013-14 as the actual income per acre for those acres came back to normal, while the extreme high income years of 2011-12 had just begun to affect the assessed values.

Column J: In a perfect world, if we could attach one year's assessed value to that year's income value we would have a constant relationship. The income would be 13.69% of the assessed value in Brown County. Every county will have a stagnant number in this column. All the calculated factors come from statute, but there is the variable of average soil rating that will change from county to county. Therefore each county will have its own unique percentage in the final calculation.

Column K: Since there is a 2-year lag time before we could have income information available, it would be impossible to accommodate that "perfect world" scenario. For instance in in 2012 we would have had an average income of $832 to pay apply to assessments from 2010 which were determined by an income of $498. Furthermore, since taxes are paid a year in arears, that income would have actually been paying a bill based on the 2009 assessment which was based on a $381/ acre income.

2012's high income year would finally become assessments in 2014 when the income was $442, and would actually be paying taxes during the calendar year of 2015 when the income is only $415.

Graphs:

The bar graph attached shows the top where the top dollar would have been if we would have been at full productivity, the top dollar as it was actually assessed due to limited increased established in statute as we were coming up to full productivity, and the top dollar if we were to use one year based on the most recent available income information for that year.

The line graph shows the relation between income and assessed value for each of the 4 scenarios. Again, the yellow line is showing the stagnant percentage if we could perform the current assessment year according to the current income year.

Non-Crop rated soils:

The non-crop rated soils follow the same format in the spreadsheet as the crop-rated soils. Graphs are done the same way.

Things you will notice: Non-crop Columns D and E match right away, as Brown County was assessed at full productivity value from the beginning of the productivity method of assessment.

Analysis:

Another thing you will notice is the perfect world ratio is 2.39% (average income/average assessed) on non-crop rated soils vs. 13.69% on crop rated soils. This does need to be further adjusted as the crop rated is calculated using a "landlord's share" of 35%. Therefore if we multiply the 13.69% (for crop soils) by 35%, we still get a ratio of 4.79%. This would indicate, at least in Brown County, that non-crop rated soil is being assessed twice as much per the annual income than crop land is (Average income to Average assessment ratio).

Comment:

At the beginning of productivity in Brown County, non-crop was assessed at 100% of full productivity value, while crop land was not. and as the productivity method has reached maturity non-crop still seems to be assessed higher than crop land relatively.